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STATE FOR PM/DTCC BLUE LANTERN COORDINATOR (TIM MAZZERELLI)

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [RO](#)
SUBJECT: BLUE LANTERN LEVEL 3; PRE-LICENSE END-USE CHECK ON
APPLICATION 050120369

REF: 2008 STATE 93148

¶1. (U) This message is a response to reftel inquiry regarding End-Use Check on Application 050120369, and the bona fides of Foreign Consignee NAVTRON S.R.L. of Constanta, Romania and Foreign End User Midia Marine Terminal of Navodari, Romania.

¶2. (SBU) Reporting Officer (RO) raised subject companies with Romanian authorities, including the National Export Control Agency (ANCEX) of the Ministry of Foreign Affairs that has the primary government oversight for licensing imports and exports of U.S. Munitions List (USML), and the Deputy Maritime Commissioner for Constanta County, where the consignee and end user are located. Both were familiar with the companies, but were unaware of the companies, interests in purchase of USML items, and of any safeguards/bona fides assurances from the management on this purchase. RO expressed concern that these companies were new to the importation of USML items, and that the USG required a thorough investigation of the consignee and end-user. As a result of RO's initiative, the Director for Conventional Arms at ANCEX formally investigated both entities, NAVTRON and Midia Marine, to determine whether they met USG and ANCEX requirements for receiving USML items. The investigation was conducted by the Deputy Director for Conventional Arms at ANCEX. NOTE: ANCEX by law must ensure Romanian firms meet U.S. end-use requirements as well as EU Export Control best practices guidelines.

¶3. (SBU) The following responds to questions raised in reftel on Application 050120369:

--Does the company have supporting documentation, including purchase orders, for this proposed transaction?

ANSWER: Yes.

--What role does Navtron S.R.L. (Navtron) and BFI Optilas play in the proposed transaction? Will Navtron and BFI Optilas be handling or storing the items listed on the application? If so, do they have secure facilities and proper accounting and security procedures for handling these sensitive USML items?

ANSWER: SC Navtron is the importer of the EOSS - 500 CZC system from AXSYS Technologies Inc. from the U.S. via BFI Optilas GmbH Germany. The end-user is Midia Marine Terminal (MMT) which has the items in its Command and Control Room (CCR). The CCR is a secure facility with restricted and controlled access. Only six persons have access permits to enter the CCR. The CCR has motion sensors and a fire/smoke

alarm system.

--What is the exact end-use for this USML item? Will MIDIA Marine Terminal retain positive control over the thermal imaging kit at all times or will your company lease the system to your customers? Who exactly are these customers and where are they located? Are they all located in Romania? Will the thermal imaging kit be taken outside of Romania? If so, where?

Answer: The EOSS - 500 CZC system is used to monitor 24/7 activities at the marine oil terminal stationed approximately nine km offshore and at the MMT Port Area. MMT retains positive control over the system and will not/not lease to customers, nor will customers have access to the CCR.

--When was the company established and who are its principals?

Answer: SC NAVTRON was established in 1998. Its principals are Kessler Eden, Administrator, and Visan Adrian, Chief Operations Officer. NAVTRON has a solid performance record with the GOR. For example, formerly "INTERSAT-RADIO," provided marine electronic equipment to the Frontier Police, who are familiar with the principals. MMT was established in 2007. Its principles are Taus Ioan, General Director, and Roxana Rizescu, Officer.

--What is the nature of its business, what type of items does it handle, and does it serve as a broker?

Answer: NAVTRON is a trading company that also specializes in navigation and communication systems and equipment, mainly delivery of marine electronic equipment and system configuration and installation. NAVTRON is not a broker. MMT operates an off-shore oil terminal located in the Black Sea. MMT is not a broker.

--What types of organizations are among its typical customers, and where are the customers located?

ANSWER: NAVTRON,s main customers are the Ministry of Defense (Navy) and the Lower Danube Fluvial Administration. MMT,s main customer is SC ROMPETROL RAFINARE NAVODARI ROMANIA S.A. in Constanta County.

--Does the company understand the restrictions on United States Munitions List (USML) items, especially the prohibition against unauthorized re-transfers and re-exports?

ANSWER: Yes. Both countries understand their obligations to adhere to USML restrictions and prohibitions. This includes the six-month reporting obligation regarding the status of the USML items imported from the U.S. These are also legal obligations assumed by the Government of Romania under the responsibility of the National Export Control Agency of the Ministry of Foreign Affairs.

14. (U) This report concludes the pre-license check on application 050120369. Blue Lantern POC is Political Military Officer Chris Ellis. Contact information: 40 (21) 200-3425; EllisCA2@state.gov (unclass); EllisCA@state.sgov.gov (class). GUTHRIE-CORN